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REPORT ON

DROUTH AND OTHER NATURAL DISASTERS

The President's inspection of drouth-stricken areas January 13-15, 1957 provided an opportunity also to re-study not only the character and problems of major natural disasters, including drouth, but also the principles that should guide private and governmental efforts to help alleviate the impact of disasters.

Accordingly, farmers, ranchers, and agricultural leaders and workers from 15 States were invited to meet in conference at Wichita, Kansas, January 14-16. The 190 participants included, in addition to farmers and ranchers, members of the executive committee of the Great Plains Agricultural Council, representatives of State drouth committees, bankers, businessmen, farm and commodity organizations, agricultural colleges, and workers from certain State and Federal agencies.

In the conference six work groups studied various aspects of drouth and other natural disasters and made recommendations on emergency programs, credit, land use adjustments, State and local action, water use and conservation and resource development and diversification. Their reports were reviewed by the whole assembly.

Findings of these work groups, together with additions from the general sessions and from materials submitted to the conference and to the President during or following his tour, have been reviewed by the conference participants, many of whom made editorial comments reflected in this report.

This report, of course does not reflect the individual judgments or views of every participant. In the interest of a more representative document, certain conflicting proposals having minor support have been omitted. Other views which had substantial support are shown in notes. This report does not commit any group, public or private, that made recommendations or participated in the discussions.

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Foreword

In recent years, farms, ranches and rural areas have suffered major natural disasters.

The intense drouth conditions of the 1930's are still a fresh memory. Equally intense drouths have covered widespread areas in the last five or more years.

In 1955, for instance, more than 1000 counties were designated for disaster relief.

In 1953 floods devastated wide areas in Louisiana and more recently have struck such areas as the New England states, West Coast states and parts of Kentucky, the Virginias, and states to the south.

Severe winter blizzards, with snow, have at times isolated families and livestock. Hail, tornadoes, and other natural disasters from year to year strike farm families and rural communities.

It was the current drouth crisis in the Great Plains, and the Southwest, and Western states, however, that was the immediate reason for President Eisenhower's tour and the special meeting on Drouth and Other Natural Disasters at Wichita, Kansas, January 14-16, 1957.

The critical nature of this problem is highlighted by the fact that in 10 Great Plains states:

More than 3 million acres of land have been damaged by wind erosion this season;

More than 29 million acres are in condition to blow because of insufficient vegetative cover.

The objective of the Wichita meeting, as evidenced in the following report, was two-fold: to review the effectiveness of current emergency programs, and to consider how best to deal with natural disasters, regardless of their nature or the areas affected. These objectives were also dealt with extensively in the many recommendations and suggestions that were received separately.

It is especially desirable that this report be reviewed in conjunction with "The Program For the Great Plains," U. S. Department of Agriculture Miscellaneous Publication No. 709. The findings and recommendations of the Great Plains Agricultural Council were again reflected in conclusions reached in this review.

The main purpose is that there will be more effective coordination of efforts and more adequate sharing of responsibilities between individuals, local communities, and governments -- local, State, Federal -- in helping prevent disasters and alleviating distress when disasters come.

REPORT ON
DROUTH AND OTHER NATURAL DISASTERS

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EMERGENCY PROGRAMS

Shortcomings and needed improvements in emergency measures in meeting drouth and other natural disasters received careful consideration. It was the concensus of those at the special meeting and others making recommendations that present emergency programs have, in general, materially helped farmers and ranchers meet emergency conditions brought about by the prolonged drouth that has persisted in most of the Great Plains area.

It is the consensus that present emergency programs should be continued. Further attention, with greater State and individual participation, must be given to methods needed to protect land from erosion and to conserve water. A range and pasture restoration program should be considered to avoid further forage depletion.

It was recommended that consideration be given to the following measures:

1. Restoration of Pastures Through Deferred Grazing. It was recommended that a deferred grazing program be developed for range and other pasture lands in the drouth disaster area and that funds be allocated to encourage this practice. (To be carried out through the Agricultural Conservation Program.)

Payment for performing this practice is justified because of economic loss due to depressed prices and drouth, and conservation treatment of the land is urgently needed. Vegetative cover to protect against wind-erosion losses and widespread dust storms is essential. It is important that native grass be protected from destruction by resting and proper management to avoid the necessity of re-establishing stands by reseeding. Any payment for deferred grazing would not apply to national forest and land-utilization-project land.

Rates per acre and procedures should be determined by the States as are other practices under the Agricultural Conservation Program.

2. Tillage to Combat Wind Erosion on Land Void of Vegetation. This practice is needed in order to assist farmers in performing tillage to combat wind erosion on land lacking sufficient vegetative cover to protect it from erosion. Payment for performing this practice is justified to avoid widespread loss of soil due to erosion. Emergency funds should be used on this practice when regular Agricultural Conservation Program funds are inadequate.

ASC committees should determine where emergency tillage is needed on irrigated land due to lack of water, cropping practices employed, or crops grown.

3. Establishing Cover Crops to Protect Land from Erosion. Payment for establishing cover crops is justified because of the need to establish protective vegetative cover on cropland subject to wind and water erosion. Emergency fund should be used on this practice.
4. Grasshopper Control Through Spraying of Cropland and Range and Pasture Land. In designated drought areas payment for performing this practice is justified as a means of protecting vegetative cover on both cropland and grassland and to save feed and forage. Drought conditions are particularly favorable to grasshopper infestations.

(Note: The policy of the U. S. Department of Agriculture for many years has been to provide assistance only on range and pasture land. It is assumed that there was no intention of changing this policy.)

5. Renovation of Stock Water Ponds. There is a need to increase the depth and size of existing stockwater ponds. Practice payments should be limited to sharing the costs involved in increasing the depth and size of ponds.

(Note: There was objection to the suggestion of limiting practice payments to the costs involved in increasing the size and depth of ponds. The phrase "Whenever this is cheaper than increasing the water supply by constructing new ponds or wells" was suggested as an addition to the first sentence in this paragraph. On the other hand a respondent expressed the fear that stock-water ponds of greater capacity would decrease water for irrigation purposes down stream.)

Payment is justified in cases where the present size of stock ponds is inadequate to maintain needed livestock water during extended drouth periods. Emergency funds should be used on this practice when regular agricultural conservation program funds are inadequate.

6. Construction of Ponds and Digging Wells at Farmsteads. Construction of ponds and digging wells at farmsteads to provide water for livestock and domestic household use is needed due to prolonged drouth. Many existing wells at farmsteads have gone dry and there is need for more water for livestock and domestic household use in many cases.

(Note: Many question whether these needs should be met with help from public funds.)

7. Payment Limitations to an Individual. Because of the drouth emergency, size of farm and ranch units, and other factors the maximum payment to an individual should be high enough to accomplish the intent of the practice.

(Note: Another item was suggested to be added as follows: Accelerate the development of National forest and land-utilization projects. This would involve acceleration of the various measures employed in the regular program of management; reseeding of depleted range areas; application of

measures to control surface runoff, conserve soil moisture, and prevent damaging erosion; and the construction of fences, water developments, and other improvements necessary to the efficient administration of grazing use.)

8. Drouth Feed Transportation Costs. Appreciation is extended to the railroads for their contribution to the emergency feed program by reducing their freight rates. In the future if a hay or rough feed program is developed, any emergency State or Federal funds should be made available toward the transportation costs of hay or rough feed and should be on a State participation basis. Drouth emergency feed-program procedures should be set up so as to avoid abuses in the purchase of feed supplies. Every effort should be made to see that normal market processes are allowed to operate during periods of drouth emergency feed-purchase assistance.
9. Determining Drouth Designated Areas. When a request for designation of drouth disaster classification is received from a county, a joint inspection should be made by the State Drouth Committee and a Washington representative prior to the State Drouth Committee recommending to Washington the designation of a disaster area.

FHA County Committees should be authorized and encouraged to make visits to farms if deemed advisable prior to approving applications for drouth feed.

10. Administration of Program. The closer the administration and support of emergency programs can be kept to the people concerned, the better in terms of meeting the situation satisfactorily and making full use of resources.

The report "A Practical Program for Plains Areas of Colorado," has much to offer as consideration is given to the various aspects of state and local action in meeting emergencies. The Colorado statement developed at the county level is an example of what can be done by local people.
(See Appendix)

The uniform application between States of all program regulations is the proper function of the Federal Government with the State government being responsible for uniform application of regulations within the States.

It was the expressed opinion that a high degree of cooperation should exist at all levels of program operation.

All drouth emergency and disaster programs should be reviewed periodically to ascertain whether or not they are meeting the purpose for which they were designed. When programs fail to meet the needs for which they were designed their administration should be reviewed at the local, State, and Federal levels and immediate steps taken to bring about effective changes.

ADJUSTMENTS

Land Use

Farmers generally know that there are thousands of acres in the Plains area that cannot profitably be farmed under present known practices. Regrassing and managed grazing in accordance with capabilities is the best use of such lands. These adjustments can begin before a technical land classification can be completed. The delay in income and high capital requirements in changing land use emphasize that grants or credit must be available before these shifts are feasible.

Farms and ranches must be large enough to operate successfully. Diversification to provide two or more major sources of income will require enlargements in the farm and ranch size in many cases. No farm operating plan will continue very many years unless there is a conserving use of resources and adequate income to meet family expenses.

For the short run

It was recommended that the following be encouraged by timely and adequate cost-sharing payments:

1. Depleted pastures and range should be re-established as rapidly as practical by proper stocking and deferred grazing and reseeding with adapted grasses and legumes when moisture conditions permit.
2. Less productive and high hazard cropland should be reseeded to grass, using adapted varieties and recommended practices, followed by proper stocking and grazing practices.
3. Annual payment rates in many States for the Soil Bank Conservation Reserve Program should be reappraised before this can become a satisfactory tool to bring needed land use adjustment.
4. Timely emergency tillage by listing or other appropriate means should be carried out whenever soil moisture is insufficient to establish vegetative cover. This should be done within a restricted period as set forth by the local ASC Committee.
5. Crop residues should be maintained at or near the surface of the soil as an erosion-control and moisture-conservation practice.
6. Production of seed and plant materials of strains and varieties not now in adequate supply should be increased. Supplies of seed and plant propagating materials including tree seeds and tree planting stock suited to the Great Plains and the Inter-Mountain area for revegetation, shelter-belt, and farm-woodlot purposes are critically short. Substantially increased financial support should be provided for research and for increasing the supply and distribution of superior and adapted initial seed and planting stock.

7. Wheat allotment acres which have been forfeited should not be reallocated except under unusual circumstances and on approval by the State ASC Committee after careful study and in accordance with land classification findings.
8. Proper land use, including adequate cover or tillage protection on the participant's entire farm, should be a requirement for participation in the Acreage Reserve Program. The date for announcement of the program stipulations should be not later than April 1 of each year. Adequate cover, or tillage protection, on reserve acres should be required as a basis for payment.
9. The Department of Agriculture should encourage diversification as well as soil protection by providing sufficient inducement to effect area-wide stripcropping of grain and forage in areas that could be benefited.
10. Care should be exercised so that these "short run" measures do not deter desirable long-run land use adjustments and that those farmers and ranchers taking part in short-run land use adjustment activities are encouraged to move into long-run land use programs as rapidly as possible.

For the long run

1. Expanded soil, water, range, and weather-risk surveys and resulting crop yield and farm-income expectancies should be provided as a basis for local decisions in formulating long-term land use adjustment policies and goals. This information should also be the starting point for local, State, and Federal programs such as credit, insurance, acreage adjustments, cost sharing, and others.
2. The earliest possible completion of soil surveys that will delineate those areas which are apt to cause trouble in a drouth period is of first importance. The conservation needs inventory should also be pushed ahead as rapidly as possible because of its importance in providing needed information to facilitate the program of long-run land use adjustment.

In the meantime, it is suggested that land which has not already been classified as to its suggested or proper usage be so classified. Any county or portion of a county that has a soil conservation district now has a system of land classification that can be used effectively to classify land. Such classification should be by local farmers and ranchers familiar with the area with consultation and review by trained specialists. When the classification has been made by a committee, that group and the county Extension or agency personnel should be available to inform the land owners and operators what they consider to be the capabilities and suggest the best uses for the respective tracts. The planting of shelterbelts and the development of other practices that will conserve moisture and cut down wind erosion in critical areas should be encouraged. Some additional personnel may be needed to carry on such educational programs.

3. Educational and land use programs should be buttressed by vigorous programs of basic and applied agricultural research. These will furnish the facts upon which new techniques may be developed in production and marketing of agricultural products. Research will also provide information which local people can use to develop more equitable systems of taxation, and should lead to improved systems of financing and insurance for agriculture.
4. Research programs should be expanded along the following lines to help achieve desired land use.
 - (a) Study of conservation, efficient use of precipitation, and control of wind and water erosion;
 - (b) Study of the climate of the Great Plains and other drouth areas, and climate-agriculture relationships in the area;
 - (c) Study of needed adjustments in farming systems in the Great Plains and other drouth areas to better fit them to market potentials and to environmental conditions of soil and weather, with special emphasis on need for enlargement of family operated units in high hazard areas;
 - (d) Study of the problems associated with irrigation farming and irrigation development in the Great Plains;
 - (e) Study of range and forage production and how to improve and manage rangeland for sustained yield for domestic livestock and game animals;
 - (f) Development of drouth resistant strains of trees, grass, and crops and methods for their establishment, growth, protection, and management in the drouth hazard areas;
 - (g) Special support by the Federal Government is urged for the request by the Great Plains Agricultural Council to establish and operate two special laboratories in the Great Plains, in connection with an established Land Grant College, one for the study of soil-moisture conservation and one for the study of plant growth under artificially controlled climate conditions.
 - (h) The potential contribution of insurance to stability of income should be more fully explored. Special emphasis should be given to long-term crop-insurance contracts that specify adapted farming practices and include both the high and low phases of the moisture cycle in each area; also to development of drouth insurance applicable to livestock ranches.

5. Tax adjustments should be made to encourage better land use, and provisions should be considered which would permit the payment of taxes in advance during good years with less payment during adverse years.

It is proposed that a study be made on taxation of capital gains on farm income. Also consideration should be given to amending the Income Tax laws to provide for payment of income tax on the basis of income averaged over a five-year period. Also, in the provision for involuntary conversion of capital gains, recognition should be given to the fact that it requires a long period of time to restore drouth devastated ranges to permit full restocking.

It was recommended that the valuation of land for tax purposes should recognize the ultimate long-time capabilities and optimum usage in the process of creating tax structures.

6. An accelerated educational program, including discussion-type meetings, is needed to inform farmers and ranchers and other local residents regarding agricultural problems of the area and to provide discussion of plans for their possible solution.
7. A determination should be made of the potentialities and limitations for land use adjustment under Public Law 1021, 84th Congress. All available programs, including Public Law 1021, should be appraised to determine how they can be coordinated and implemented to achieve maximum effectiveness. This includes range management and improvement programs for both public and private lands in the Great Plains area.
8. Special attention should be given to the importance and effectiveness of the Conservation Reserve Program as an aid in long term adjustments in use of hazardous croplands.
9. Weather services to farmers and ranchers should be expanded by means of seasonal forecasts; measurement of important environmental factors such as soil temperature, soil moisture, wind velocity, evaporation, dew, and solar radiation; and by more detailed, accurate localized forecasts. Provision should be made for expanded research in order to meet these objectives.
10. Consideration should be given to programs that will help farmers and ranchers to enlarge their family operated units, when and where needed, to improve their incomes; and to accomplish desirable long term land use adjustments. This may involve changes in credit and other programs. Facilities of the public employment office need to be further developed to assist farm and ranch people to find non-farm employment whenever such employment provides a better livelihood.

Water Use

1. Present programs in the field of water-resource development and conservation have aided in alleviating disaster from drouth and flood. It is believed that these programs should be accelerated and implemented through the following means and in complete cooperation and coordination between Federal, non-Federal, State, and private interests:

- (a) Every agency having jurisdiction over reservoirs immediately review its operating criteria with the view of meeting urgent needs by:

Making releases of water from dead storage space or conservation space not under contract;

Reallocating or encroaching upon existing storage for flood control, navigation, and fish and wildlife in order to provide conservation space on a temporary basis.

- (b) Water development and conservation programs currently under construction or authorized for construction in the drouth areas be financed adequately even if this requires the granting of priority to construction in these areas.
- (c) Water development and conservation programs now under construction, authorized but not started, or being designed, should be reviewed to assure that full advantage is taken of every opportunity to provide conservation space to meet the water supply needs of the drouth area.
- (d) Water development and conservation programs in the drouth area, planned but not yet authorized, be given expedited consideration by all agencies concerned and by the Congress.

(Note: There was a substantial body of opinion that the phrase "planned but not yet authorized" be stricken from the sentence. Also that "projects" was a more appropriate term than "programs" as used under item 1. The sentence following was also suggested as an addition.)

Special attention should be given to small irrigation developments that are dispersed over the Great Plains area utilizing the Small Irrigation Projects and the Watershed Protection and Flood Prevention Programs.

- (e) Multiple-purpose reservoirs be planned and developed by the Federal Government with provision for providing storage for anticipated future maximum water needs, without requiring preconstruction repayment commitments for such storage and that Congress authorize such action.

- (f) Immediate attention be directed to conserving water by elimination of phreatophytic growth (water loving plants and woody-type growth) and to their replacement by species requiring less water where necessary to prevent erosion. Attention should be given to means to eliminate salt intrusion and contamination in order to avoid pollution of the limited supply.
- (g) Special consideration be given to repayment requirements of water development and conservation programs in the drouth area.

2. There is agreement that the solution to our water-supply problems must start with a sound program of soil conservation. The way we manage our rangelands, farms and forests on which water first falls largely determines the extent and nature of water runoff and the amount that soaks into the soil.
3. The development of small watersheds in the disaster States be accelerated by additional planning parties under Public Law 566.

(Note: Items 2 and 3 were inserted at the suggestion of several respondents. Item 2 was used in reporting to the President at Wichita.)

4. Because of the danger of overdraft of ground-water basins, it was urged that where present State laws are not adequate to regulate the use of ground water, each State enact legislation applicable to the varying problems within that State.
5. The group recommended that the allocation of Soil Bank funds to areas where ground water irrigation is practiced and ground water supplies are critical be increased to encourage the conservation of water and thereby avoid delayed economic disaster in those areas. This will encourage full participation in the Acreage Reserve Program by all interested farmers, and will provide additional incentive for participation in the Conservation Reserve Program in those areas.

(Note: This recommendation deals with matters beyond the purposes of the Soil Bank Program. Even if desirable, it would be unworkable in terms of the formula for allocating funds.)

6. When water supply is limited, competition for use should be resolved so as to result in the best use of the water to meet the needs of the area. Such decisions should be in conformity with applicable State and Federal laws.
7. The program for pollution abatement under P. L. 660 is not now being utilized to bear especially upon drouth emergency problems. The rate of development established by the program is too slow to meet desirable progress in sewage pollution abatement. It was recommended that either (a) appropriations be increased to the point where immediate needed work can be undertaken or (b) the law be modified as necessary to give special consideration to the drouth area.

(Note: The desirability of recommending an increase in appropriation was questioned. The following addition was also suggested: In areas of critical water shortages, intensive Federal, State, and local cooperative efforts should be made to (1) develop all available sources of water supply and (2) make the optimum use of available water by water quality management which will permit the reuse of water which is subject to manmade or natural pollution. Within the area of its recognized responsibilities, the Public Health Service should concentrate on work with State agencies in planning for the development of domestic, municipal, and industrial water supply needs for the immediate and foreseeable future in drouth areas. Such actions would also include investigations concerning specific problems of water pollution confronting the drouth area with a view of recommending a solution of such problems.)

8. Basic records on quantity and quality of surface and ground water are essential to current operations and future plans. Programs for collection of these records should be expanded. Interpretive and evaluation studies are a necessary corollary to basic record collection and should be expanded in order to make best use of data needed for water control and use.
9. A particular need is the prosecution of investigation of ground water by the U. S. Geological Survey in collaboration with States and other agencies. Rate of progress of ground water exploration has been shown by the present drouth to be inadequate, and the areal coverage insufficient. Funds should be provided to accelerate this program.

(Note: A change in the cost-sharing arrangement to speed up this work was suggested.)

10. Present hydrologic investigation needs strengthening to resolve more quickly possible conflicts among uses of water which are likely to be competitive for limited water supplies. Foremost among these are upstream reservoirs and conservation measures, their effects on downstream water supplies, effects of diversion of water on quality and quantity, value of water spreading, brush eradication, and controlled burning on water yields (increasing the productive uses of water.)
11. Additional basic and applied research on hydrologic processes and techniques is essential for managing water to minimize harmful effects of periods of deficient moisture. Special attention should be given research on uses of water, evaporation suppression, artificial recharge of ground water aquifers, sediment transport and channel maintenance, stream-flow forecasting, saline water conversion, and control of pollution. With a view to reducing transpiration losses, chemical means and plant breeding research deserve particular emphasis.
12. Acceleration of basic research in the field of long-range weather forecasting and cloud physics should be explored.

Credit

While the major economic problems in the drouth area arise from the lack of income, if credit is substituted for income over long periods it builds debts which are beyond the ability of farmers and ranchers to repay, even under favorable weather conditions. This is especially true under present conditions of high and increasing operating costs which have materially narrowed the margin of profit for both crop and livestock producers.

Emergency loan programs should not operate to encourage borrowers to continue submarginal operations to their own ultimate detriment.

The private and cooperative credit systems are in such strong financial position that they should be able to continue their traditional role of being the main source of agricultural credit. It was indicated that additional credit agencies were not needed. The Farmers Home Administration and the Small Business Administration with minor revisions in present policies could make even greater contributions toward minimizing the disastrous effects of the drouth.

The following specific recommendations were made:

Farmers Home Administration:

1. Extend authority for making special livestock loans.
2. FHA loans for capital purposes should have repayments amortized according to income over periods not to exceed ten years with operating loans to be paid annually, whenever the income will permit.

(Note: Except for special livestock loans, FHA has authority to schedule the repayment over a period of seven years and, in justifiable circumstances, extend the due date an additional three years.)

3. FHA should be given additional authority to refinance existing debts, including the authority to pay annual installments on real estate loans.
4. The provision requiring the owner and operator to live on the land should be modified in justifiable instances.

Small Business Administration:

1. It is recommended that the Small Business Administration modify its present loan program to Development Credit Corporations or similar industrial development corporations so as to make funds available for the construction, repairing, remodeling, or equipping of building or buildings to accommodate said industry to be developed or brought into the area.

(Note: The question was raised as to whether this is an appropriate function for the Small Business Administration or a function of other agencies.)

2. It is recommended that:

- (a) Procedures and policies now in use by the Government lending agencies be reviewed and further short-cuts established, and that paper work be reduced to an absolute minimum.
- (b) The interest rate on Government loans designated as drouth loans be uniform.

3. It is recommended that the Small Business Administration adjust its loan program for drouth disaster loans in the following manner:

- (a) Obtain credit reports on applicant from local bank.
- (b) Establish local loan review committees, such committee to consist of at least three members, one or more of which shall be bankers, and one or more of which shall be businessmen.
- (c) Small Business Administration Branch Offices be delegated authority to approve drouth disaster loans.

(Note: The addition of the words "within designated limits, namely \$50,000" was suggested.)

- (d) Initial payment by the borrower on Small Business Administration drouth disaster loans be deferred up to one year from date of disbursement with latitude for annual review and consideration.

4. The Committee recommends that the Small Business Administration make every effort to give special consideration to applications of firms affected by the drouth in a program to prevent or forestall irreparable financial damage to the individual firm and provide assistance before the firm reaches the hopeless condition whereby it may qualify for drouth disaster credit assistance.

TOTAL RESOURCES DEVELOPMENT

The impacts of drouth and other natural disasters, are felt in all segments of the economic life of the people of the region affected. Any program which seeks to relieve or rehabilitate the region from the effects of the current drouth should consider the problems of relief and rehabilitation of the municipal, commercial, and industrial activities of the region along with those of agriculture.

It is the consensus of those present that in developing long-range programs designed to cushion the impact of recurring natural disasters, action should be taken to strengthen the allied fields of commercial and industrial development as part of the program.

Any disaster affecting farmers and ranchers has its effect upon the business serving them. The interdependence of farmers and ranchers and businessmen make it necessary to consider the problems of small business in drouth areas as well as those of the farmers and ranchers.

Off-the-farm employment is an important source of income to many farmers and ranchers in the drouth areas and is making it possible for them to maintain their families, farms and livestock during this disaster period. Any program which leads to an expansion of employment opportunities in disaster areas, including development programs on National forests and Title III Land Utilization Projects and other public lands, will make an important contribution toward maintaining the economy of the area.

Existing Programs for Resource Development and Diversification

It was the opinion of those at the Wichita meeting that ultimate responsibility for the commercial and industrial development of the disaster area lies with local communities. It was noted that in most of the larger communities in the region organized local activity such as chambers of commerce, trade associations, and, in certain instances, civic groups are seeking means of developing the economic life of their individual communities.

An increasing awareness on the part of State Governments in recent years in assuming responsibility for assisting local action and initiating industrial development programs at a state level was noted. Only one State in the drouth disaster region does not have some agency of State Government nominally concerned with these problems.

It was noted also that programs designed to accelerate commercial and economic development varied widely from State to State. However, in most instances State agencies are developing working relationships between communities and State and Federal agencies designated to assist this type of activity.

Consideration was given to the numerous activities of the Federal Government designed to implement State and local action in the field of industrial development. Among the programs discussed were:

The Rural Development Program of the Federal Government under the sponsoring leadership of the U. S. Department of Agriculture designed to assist low-income agricultural communities; the continuing work of the U. S. Department of Commerce with particular reference to the work in the field of area development;

the programs in the field of labor and health conducted by the several departments of the Government involved;

the work of the Departments of Army and Interior, particularly in the field of water development;

and the activities of the Small Business Administration.

The recent action by the Bureau of Indian Affairs of the U. S. Department of the Interior was discussed, and the action of the Indian tribes in negotiating industrial development in specific areas of the region was noted with approval.

Suggestions for the Development of a Long-Range Program

Much time was spent in attempting to define the areas of responsibility necessary for the development of long-range programs in the field of resource development and diversification. It is the consensus that while the responsibility for development ultimately rests with individual communities, owing to the limited resources of many communities in the region, State and Federal agencies jointly share with the local communities in the responsibility for action in this field.

It is the opinion that the State and Federal agencies could be most helpful in giving broad policy guidance to industrial and commercial development.

The need for regional groups to develop programs of work in these areas was expressed. Examples of the type of regional cooperation are the river basin development programs and the activities of such groups as the Great Plains Agricultural Council.

At the present there is insufficient information available upon which to develop a broad and comprehensive program for the expansion of industrial and commercial activity. On the other hand, it was felt that many localities and State agencies are not fully utilizing the technical and financial assistance currently available to them through existing Federal programs.

Recommendations

In making its recommendations the participants of the Wichita meeting were guided, among other things, by two prime considerations, namely: (1) to improve the opportunity for as many people as possible to remain in the area, in productive and profitable employment; and (2) to explore measures which could be taken in broadening the economic base of the region and thereby help to cushion the impact of disaster when it strikes.

Three general recommendations made are:

1. That a regional organization concerned with the development of the region's economic base be created. It is further felt that such a regional organization might be affiliated with some existing regional group if such appears feasible, and that responsibility for initiating the organization should remain within the region.
2. That the several States appropriate adequate funds for research relating to economic development and that the Federal Government participate directly and through grant-in-aid.
3. That at both the local and State level provision be made for vocational training for commerce and industry in addition to agricultural education as at present. This would include trade and industry education, distributive education, and diversified occupation in secondary schools, the establishment of State supported trade schools near industrial centers, and programs for training of supervisory employees through university and college engineering extension.

Private and Local Action

1. The local communities have the primary job in local area development diversification. In the last analysis, it is the community that must convince firms of the area's locational advantages for branch plant or other expansions.
2. Communities in the drouth area and its surrounding region must foster a business climate which will interest industry and help it prosper. This involves (a) development of appropriate factual information on local resources, facilities, services, and other industrial location factors; (b) development of community-wide awareness of the needs of industry and its benefits to an area; (c) willingness of civic, municipal, and county officials to co-operate in making new and existing industry feel welcome and at home in the region; and (d) local organization and preparedness to negotiate with industry in terms of specific sites, definite arrangements for extending services and the other items in which management seeking a location is interested.

State Action

The State can:

1. Survey all the natural resources of the State offering a potential for development to create payrolls.
2. Create State-wide credit corporations, using private funds; for financing new small business ventures and expanding existing ones where conventional credit is not available.
3. Serve as liaison between communities or groups of communities and the Federal Government and guide economic development.
4. Encourage a proper business climate at the State level.
5. Through its agencies draw up feasibility and engineering reports on specific potential types of industry for communities or areas.
6. Maintain current statistical data pertinent to economic development for ready use by clients.

Federal Action

The Federal Government can:

1. Accelerate Federal expenditures, including procurement and construction contracts within stricken areas.

(Note: Suggested addition -- Including soil, water, forest, and range resource development.)
2. Provide technical and financial aid to State and local governments for research and exploration for industrial, tourist, and other economic opportunities.
3. Plan for providing storage in Federal reservoirs for future water supply, particularly for industrial and municipal purposes.
4. Implement a meaningful program of industrial dispersion in the interest of National security, a broadened mobilization base, and regional economic balance and diversification through treatment of disaster areas the same as labor surplus areas for purposes of rapid amortization and the channeling of government contracts.

(Note: The applicability of an effort to this area was questioned.)

5. Revise the regulation of the Small Business Administration to allow this agency to participate with communities in financing the location of branch operations of industries.

(Note: A question was raised as to whether this is the appropriate agency for this purpose.)

RESPONSIBILITIES AND THE JOB AHEAD

Successful land use adjustments must be carried out by local people as a result of their decisions arrived at after consultation with specialists concerning their long term interests and the welfare of the nation. Individual farmers and ranchers also must give attention to development of feed, livestock, and financial reserves built up in favorable years to help tide themselves over the years of disaster.

There is need for an approach to programs where the people concerned discuss problems and agree on courses of action. Group discussions materially help people to think objectively about common problems. Organized groups and agencies can render a most helpful service by providing local leaders with resource material, and assisting with the development and carrying out of recommendations.

There was agreement with the statement in the Great Plains Report of June 2, 1955. "Farmers and ranchers have responsibility to participate in, and contribute to, the formulation and development of policies and programs adapted to the needs of their environment."

A program built up by the people concerned provides the opportunity for achieving this type of participation and acceptance of responsibility. Each State has many organized groups that can be effective in this effort. It is necessary that any program have the support of the responsible leadership of the county.

The philosophy that ultimate use of lands should rest with land owners is sound. The processes of education should be used in every possible way to effect the usage that best fits the long-term capability of a given area.

There is a question whether producers should continue to be eligible for government aid and support if they persist in following programs that have been determined to be unsound for the area.

In special cases, local people may need to protect themselves against a few owners or operators who fail to take care of their land to the detriment of their neighbors. In such cases they should consider the use of land use regulations, zoning, or other local powers available to them under soil conservation districts, wind erosion control authorities, grazing districts, or other duly constituted bodies which have been granted the necessary powers to act in the public interest.

The number of restrictive land use ordinances and regulations should be kept to a minimum. This is based on the premise that education is more effective than regulations in the long run. It is recognized that an intensive educational program in proper land use is an essential part of a long-range effort to alleviate the effects of a natural disaster such as drouth.

Legally authorized entities such as soil conservation districts, wind erosion districts, as well as Federal, State and local government have definite responsibilities in the implementation of long-range programs such as contemplated under Public Law 1021. This program presents another opportunity to initiate efforts on a broad front with full and effective cooperation of all groups and agencies concerned.

The following were suggested for consideration for action by State and local governments:

1. Assume appropriate responsibility for bringing representative leadership of the area together to assist in the development of activities aimed at carrying out the purpose of Public Law 1021 and other applicable laws and procedures.
2. Help build a long-range county program designed to meet conditions and problems of the area. This requires widespread participation of local leadership.
3. Stimulate continuing educational programs to bring about the best use of the land and natural resources.
4. Assist in the development of governmental policy directed towards stabilization of the local economy and the development of human resources.
5. Encourage the introduction of practices and activities that will help improve the economy of the area.

Sharing Responsibility

In considering the question of the degree of responsibility that State and local governments should assume in natural disasters of various types and intensities, there was agreement with the viewpoint expressed by the Council State Governments as stated: "Natural disaster relief, when the disaster is of the sudden impact type, is primarily a local responsibility.

When the disaster is of a magnitude sufficient to surpass local capabilities, the problem becomes a local-State responsibility. In turn, the problem becomes, in part, a National responsibility when local and State capabilities become overstrained. . . . On the other hand, an economic or creeping disaster is, almost by definition, at least in part, a National responsibility from the start. Economic disasters arising from natural causes are frequently interstate in character -- Natural disasters such as these are not only National in scope and magnitude, i.e., major disasters, but the measures necessary to relieve them involve major National policy considerations No local or State government is capable, either financially or jurisdictionally, of coping with them in all their ramification."

Endorsement was given to the principle of sharing the responsibility and the cost of emergency assistance and to the need for a general realization and acceptance that a real obligation of a joint nature does exist. However, it was felt that it was beyond the immediate scope of recommendations to indicate how such responsibility should be shared.

APPENDIX

A PRACTICAL PROGRAM FOR PLAINS AREAS OF COLORADO

(Group 4 at the Wichita meeting incorporated this statement as a part of their report. It was originally developed at the county level in Colorado as an example of what can be done by local people.)

Guiding Principles

It is now time to consider a few facts and basic principles and put together a single program that will make a start toward the stabilization of farm and ranch operation in this area of high risk and uncertainty.

1. The time has arrived for the leadership in each county to come up with a plan and program that they believe will help to make farm and ranch operation more stable. It must be their program. Agencies, organizations, national, state and county governments should adjust their programs insofar as possible to be of maximum assistance in carrying out the county programs.

2. The problems of living in the area belong to those who have elected to reside and operate farms or ranches in the area. It is true that war emergencies have stimulated speculative types of farming and enlarged the problems. This experience appeared to be necessary in order that the problems might be more clearly identified.

3. "The naive assumption that any group of persons will fall in with any plan about which they have not been consulted has been proven false so often in history that its survival is one of the world's mysteries." - (Kolb and Brunner)

4. Only those who farm the land and manage the range are in position to carry out operations that will make family living more stable in the area.

Suggested Program

As an example of the type of program which may be developed by county leaders the one presented at the annual meeting of the Great Plains Council, Custer, South Dakota, August 2, 1954, is presented with some modifications.

1. Flexibility in management plans - This flexibility of operating plans has 3 phases: First, the thinking, experienced farmers and ranchers in the area say that a combination of livestock enterprises with crops provides for a more stable income. Livestock enterprises assist in marketing crops and maintaining productivity of land.

Second, the livestock enterprise itself should be flexible. Is the cow-calf system best or would it be best to simply put gain on steers when feed is in sight? How about a combination? How about sheep or hogs?

Third, the cropping system must be flexible for the simple reason that the planting of several crops is less apt to result in complete crop failure and accompanying loss of ground cover.

2. Changes in land use - Farmers generally know that there are thousands of acres in the plains area that cannot profitably be farmed under present known practices. Regrassing and regulated grazing is the best use for such lands. These adjustments can begin before a technical land classification can be completed. The loss of income in changing land use emphasizes that grants or credit must be available before these shifts are feasible.

3. Tax adjustments - Tax adjustments should be made to encourage better land use, and provisions should be considered which would permit the payment of taxes in advance during good years with less payment during adverse years.

4. Farms and ranches must be large enough to operate successfully - Diversification to provide two or more major sources of income may require adjustments in the farm and ranch size. No farm operating plan will continue very many years unless there is a conserving use of resources and adequate income for family expenses.

5. Control erosion - Encourage all farm operators to adopt a cropping and range management plan that will provide maximum protection to the land. There is good reason to believe that a simple 3-year strip-crop rotation of wheat, feed crop and fallow on land that is cultivated will generally provide protection from wind erosion. Wind erosion control is simply a matter of breaking the sweep of the wind at the land surface. If crop or weed cover is not produced some form of tillage to roughen the land must be practiced.

6. Reserves - It is a well known fact that reserves of feed, seed, water and cash are essential to more stable agriculture and communities in eastern Colorado. Reserves must be built up during the good years to tide over extended period of low production. Perhaps some kind of disaster insurance would be feasible.

7. Irrigation needs to be utilized where economically possible to insure production of protein forages or other high value needed crops on some acreage of the farm or ranch.

8. Community improvement - Much can be done to improve recreational, educational and health facilities in communities of eastern Colorado, making them more attractive as a place to live and transact business. More young people must be encouraged to remain on farms and ranches to gain experience which is necessary to successful living in the area.





